

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

UNITED STATES OF AMERICA

v.

ARVIND K. AGARWAL

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Criminal No. RWT-04-125

Filed 03/08/2004

FILED UNDER SEAL

SEAL LIFTED 03/25/2004

Violation: 18 U.S.C. § 1343

INFORMATION

The United States of America, acting through its attorneys, charges:

I.

The Defendant

Arvind K. Agarwal is made a defendant on the charge stated below. Agarwal is the president and owner of NB Systems Corporation and Strobe Business Solutions Corporation, both computer consultation companies located and incorporated in the State of Maryland.

II.

Description of the Offense

1. From in or around October 1999 through in or around November 2001 the defendant was employed as a contract computer consultant at the Washington Suburban Sanitary Commission (WSSC), a quasi-governmental utility located in Laurel, Maryland that provides water and sewer services to residents of Montgomery and Prince George's Counties, Maryland. During this period he was assigned to the Information Technology Section under the supervision of Joseph R. Jackson.

2. The defendant, along with Jackson, devised and intended to devise a scheme and artifice to defraud the WSSC of money by means of false or fraudulent pretenses in violation of 18 U.S.C. § 1343.
3. It was part of the scheme and artifice to defraud that the defendant caused the submission of fraudulently inflated invoices by the defendant to the WSSC for the defendant's computer consulting services.
4. Beginning in or around November 1999 and continuing through in or around October 2001, Jackson solicited and received at least \$30,000 from the defendant or from third parties for money due to the defendant.
5. In consideration for the payments referenced above Jackson utilized his influence as a supervisory official in the Information Technology Section to maintain the defendant as a WSSC contractor, to recommend additional contracts for him, to recommend increasing the defendant's hourly salary under these contracts, and to approve for payment fraudulently inflated invoices submitted by the defendant to the WSSC for payment. This scheme caused the WSSC to sustain a loss of approximately \$75,000 during the relevant period.
6. In or around February 2001 Jackson approached the defendant and asked him for approximately \$2,000. The defendant and Jackson agreed that the defendant would give Jackson the money and reimburse himself by fraudulently inflating his invoice to the WSSC for the month of February 2001 by adding thirty (30) additional hours which he would not in fact work, thus causing an overpayment of \$2,400 to be made to the defendant by the WSSC.
7. On or about February 26, 2001 the defendant gave to Jackson four (4) separate money orders, each in the amount of \$500, for a total of \$2,000.

8. On or about March 1, 2001 the defendant submitted his February 2001 invoice to Jackson knowing the invoice was fraudulently inflated by thirty (30) hours and knowing that Jackson would sign off on the invoice and submit it to the WSSC's Disbursements Accounting Section for payment. This caused a transfer of funds via wire to be made on or about March 7, 2001 by the WSSC's Disbursements Accounting Section. This wire transfer was initiated at the WSSC in Laurel, Maryland, traveled through the WSSC's bank account in Baltimore, MD, and consummated at NB Systems Corporation's bank account in Washington, D.C.

9. On or about March 7, 2001 the defendant, Arvind K. Agarwal, having devised a scheme to defraud the WSSC, caused to be transmitted by means of wire communication in interstate commerce a signal for the purpose of executing such scheme, namely the wire transfer of funds referenced in paragraph 8 above.

III.

Jurisdiction and Venue

The offense charged in this Information was carried out in the District of Maryland within

the five years preceding the filing of this Information.

ALL IN VIOLATION OF TITLE 18 UNITED STATES CODE, SECTION 1343.

DATED: 02/13/2004

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